

## THIRD DIVISION

[G.R. No. 142838. August 9, 2001]

**ABELARDO B. LICAROS, *petitioner*, vs. ANTONIO P. GATMAITAN, *respondent*.****D E C I S I O N****GONZAGA-REYES, J.:**

This is a petition for review on *certiorari* under Rule 45 of the Rules of Court. The petition seeks to reverse and set aside the Decision<sup>[1]</sup> dated February 10, 2000 of the Court of Appeals and its Resolution<sup>[2]</sup> dated April 7, 2000 denying petitioners Motion for Reconsideration thereto. The appellate court decision reversed the Decision<sup>[3]</sup> dated November 11, 1997 of the Regional Trial Court of Makati, Branch 145 in Civil Case No. 96-1211.

The facts of the case, as stated in the Decision of the Court of Appeals dated February 10, 2000, are as follows:

The Anglo-Asean Bank and Trust Limited (Anglo-Asean, for brevity), is a private bank registered and organized to do business under the laws of the Republic of Vanuatu but not in the Philippines. Its business consists primarily in receiving fund placements by way of deposits from institutions and individual investors from different parts of the world and thereafter investing such deposits in money market placements and potentially profitable capital ventures in Hongkong, Europe and the United States for the purpose of maximizing the returns on those investments.

Enticed by the lucrative prospects of doing business with Anglo-Asean, Abelardo Licaros, a Filipino businessman, decided to make a fund placement with said bank sometime in the 1980s. As it turned out, the grim outcome of Licaros foray in overseas fund investment was not exactly what he envisioned it to be. More particularly, Licaros, after having invested in Anglo-Asean, encountered tremendous and unexplained difficulties in retrieving, not only the interest or profits, but even the very investments he had put in Anglo-Asean.

Confronted with the dire prospect of not getting back any of his investments, Licaros then decided to seek the counsel of Antonio P. Gatmaitan, a reputable banker and investment manager who had been extending managerial, financial and investment consultancy services to various firms and corporations both here and abroad. To Licaros relief, Gatmaitan was only too willing enough to help. Gatmaitan voluntarily offered to assume the payment of Anglo-Aseans indebtedness to Licaros subject to certain terms and conditions. In order to effectuate and formalize the parties respective commitments, the two executed a notarized MEMORANDUM OF AGREEMENT on July 29, 1988 (Exh. B; also Exhibit 1), the full text of which reads:

Memorandum of Agreement

KNOW ALL MEN BY THESE PRESENTS:

This MEMORANDUM OF AGREEMENT made and executed this 29<sup>th</sup>